



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

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S/037/096
Please file

July 19, 2004

RECEIVED

JUL 20 2004

DIV OF OIL GAS & MINING

Ridge Point Mining Company
11600 German Pines
Evansville, IN 47725

Re: Surface Reclamation, Metalliferous Minerals Lease ML 47316, Section 36, T. 29 S. R. 22 E.
SLB&M, San Juan County, Utah

Dear Lesse:

On May 12, 2004, a site inspection was conducted lands encompassed by your mining operations under the above referenced mineral lease and permitted by the Utah Division of Oil, Gas and Mining under small mining permit S/037/096.

The purpose of the inspection was document the status of the of the proposed mining operation as approved in your 1997 Notice of Intent to Commence a Small Mining Operation. In recent years the Annual Report of Mining Operations, required by the Division of Oil, Gas and Mining, have reported no mining activity and annual site inspections has revealed that most of the mining equipment has been removed from the site.

Presently there remains on the site a large container trailer and storage truck. There also remains at the site numerous stockpiles of soil and sand that apparently were to be processed or have been processed during active mining. These features are depicted on copies of photographs taken of site conditions on the date of this inspection.

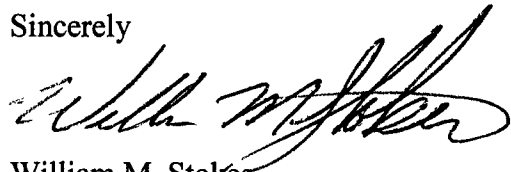
Metalliferous minerals lease ML 47316 is due to expire on August 31, 2006. Without proof of diligent development or actual production of the leased substance the lease will not be extended beyond the expiration date. Expiration of the lease does not automatically release the lessee from reclamation of the mine site. If mining activity at the site has been permanently suspended it is suggested that reclamation of the site commence as soon as possible. Reclamation consists of removing all remaining equipment, returning the surface to its original contour by filling all trenches and leveling all stockpiles, and revegetating all disturbed areas. If the lease does not qualify for extension beyond its expiration date and if reclamation has not commenced by that date, the current reclamation bond on file with the Trust Lands Administration, in the amount of \$10,000, will be forfeited to fund reclamation of the site.

Utah!

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If you have any questions please feel free to contact me at the phone or address shown on this letterhead.

Sincerely

A handwritten signature in black ink, appearing to read "William M. Stokes". The signature is fluid and cursive, with a large, sweeping "W" and "S".

William M. Stokes
Minerals Resource Specialist

cc: Paul Baker, DOGM S/037/096
Field File



Lookin southeast onto plies of sand that are assumed to be stock piles or waste piles created by the Ridgepointe mining operation.



**Looking southwest onto the western portion of the disturbed area.
The blue trailer has been on site for several years. The truck is a new
addition to the equipment that appears to have been abandoned at the site.**



**Looking south from the main access road to Hatch Rock,
onto sand piles in the eastern portion of the disturbed area.**



Looking northeast onto the abandoned truck and trailer. Note the sand piles to the right of the trailer. In the distance is the Hatch Rock subterranean dwelling.